

111TH CONGRESS
1ST SESSION

H. R. 1185

To amend the Public Health Service Act to provide for a competitive loan repayment program for primary care physicians who commit to volunteering part-time at community health centers.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 2009

Ms. CASTOR of Florida introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend the Public Health Service Act to provide for a competitive loan repayment program for primary care physicians who commit to volunteering part-time at community health centers.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Primary Care Volun-
5 teer Incentive Act of 2009”.

6 **SEC. 2. PRIMARY CARE LOAN REPAYMENT PROGRAM.**

7 Part C of title VII of the Public Health Service Act
8 is amended by adding at the end the following new section:

1 **“SEC. 749. PRIMARY CARE LOAN REPAYMENT PROGRAM.**

2 “(a) PURPOSE.—It is the purpose of this section to
3 alleviate critical shortages of primary care physicians.

4 “(b) LOAN REPAYMENTS.—The Secretary shall es-
5 tablish a loan repayment program of entering into con-
6 tracts (under terms and conditions specified by the Sec-
7 retary and consistent with this section) with eligible indi-
8 viduals under which, subject to subsection (i)(2)—

9 “(1) the individual agrees to serve without pay
10 for at least 4 hours each week for a period of 5 con-
11 secutive years—

12 “(A) as a primary care physician; and

13 “(B) at a health center, as defined in sec-
14 tion 330, designated by the Secretary (as of the
15 date of the application of the individual for a
16 contract under this section) as serving an area
17 with a shortage of primary care physicians; and

18 “(2) the Secretary agrees to pay, for each year
19 of such service, not more than \$5,000 of the prin-
20 cipal and interest of the graduate educational loans
21 of the individual.

22 “(c) ELIGIBILITY.—To be eligible to participate in
23 the loan repayment program under this section, an indi-
24 vidual must—

25 “(1) have a degree in medicine or osteopathic
26 medicine;

1 “(2)(A) have completed an accredited graduate
2 medical residency training program in primary care
3 medicine; or

4 “(B) be enrolled in such a residency training
5 program; and

6 “(3) submit to the Secretary an application, in
7 such form, manner, and time as specified by the
8 Secretary, for a contract under this section.

9 “(d) APPLICATION, CONTRACT, AND INFORMATION
10 REQUIREMENTS.—The provisions of section 338B(c)
11 shall, except as inconsistent with this section, apply to the
12 loan repayment program under this section in the same
13 manner and to the same extent as such provisions apply
14 to the National Health Service Corps Loan Repayment
15 Program under section 338B, except that each reference
16 to a health professional shortage area shall be deemed a
17 reference to a community health center described in sub-
18 section (b)(1)(B).

19 “(e) PRIORITY.—In providing contracts under the
20 loan repayment program under this section, the Secretary
21 shall give priority to individuals who agree to serve in com-
22 munity health centers described in subsection (b)(1)(B)
23 that are located in areas that the Secretary, as of the date
24 of the individual’s application for a contract under this

1 section, has designated under section 332 as health profes-
 2 sional shortage areas.

3 “(f) APPROVAL REQUIRED FOR PARTICIPATION.—An
 4 individual becomes a participant in the loan repayment
 5 program under this section only upon the Secretary and
 6 the individual entering into a written contract under this
 7 section.

8 “(g) PAYMENTS.—

9 “(1) IN GENERAL.—A loan repayment provided
 10 for an individual under a written contract under this
 11 section shall consist of payment, in accordance with
 12 paragraph (2), on behalf of the individual of the
 13 principal, interest, and related expenses on govern-
 14 ment and commercial loans received by the indi-
 15 vidual regarding the graduate education of the indi-
 16 vidual, which loans were made for—

17 “(A) tuition expenses;

18 “(B) all other reasonable educational ex-
 19 penses, including fees, books, and laboratory ex-
 20 penses, incurred by the individual; or

21 “(C) reasonable living expenses as deter-
 22 mined by the Secretary.

23 “(2) PAYMENTS FOR YEARS SERVED.—

24 “(A) IN GENERAL.—For each year of serv-
 25 ice described in subsection (b)(1) that an indi-

vidual contracts to serve under this section the Secretary may pay not more than \$5,000 on behalf of the individual for loans described in paragraph (1). In making a determination of the amount to pay for a year of such service by an individual, the Secretary shall consider the extent to which each such determination—

“(i) affects the ability of the Secretary to maximize the number of contracts that can be provided under the loan repayment program under this section from the amounts appropriated for such contracts;

“(ii) provides an incentive to serve in community health centers with the greatest shortage of primary care physicians; and

“(iii) provides an incentive with respect to the individual involved remaining in an area with a shortage of primary care physicians, and continuing to provide health services in primary care medicine, after the completion of the period of service described in subsection (b)(1).

“(B) REPAYMENT SCHEDULE.—Any arrangement made by the Secretary for the making of loan repayments in accordance with this

1 subsection shall provide that any repayments
2 for a year of service described in subsection
3 (b)(1) shall be made no later than the end of
4 the fiscal year in which the individual completes
5 such year of service.

6 “(3) TAX LIABILITY.—For the purpose of pro-
7 viding reimbursements for tax liability resulting
8 from payments under paragraph (2) on behalf of an
9 individual—

10 “(A) the Secretary shall, in addition to
11 such payments, make payments to the indi-
12 vidual in an amount equal to 39 percent of the
13 total amount of loan repayments made for the
14 taxable year involved; and

15 “(B) may make such additional payments
16 as the Secretary determines to be appropriate
17 with respect to such purpose.

18 “(4) PAYMENT SCHEDULE.—The Secretary
19 may enter into an agreement with the holder of any
20 loan for which payments are made under the loan
21 repayment program under this section to establish a
22 schedule for the making of such payments.

23 “(h) BREACH OF CONTRACT.—The provisions of sec-
24 tion 338E shall apply to an individual who breaches a con-
25 tract under this section in the same manner and to the

1 same extent as such provisions apply to an individual who
2 breaches a contract under section 338B.

3 “(i) DEFINITIONS.—For purposes of this section:

4 “(1) PRIMARY CARE MEDICINE.—The term ‘pri-
5 mary care medicine’ shall include family medicine,
6 general pediatrics, and general internal medicine.

7 “(2) PRIMARY CARE PHYSICIAN.—The term
8 ‘primary care physician’ means a physician special-
9 izing in primary care medicine.

10 “(j) AUTHORIZATION OF APPROPRIATIONS.—

11 “(1) IN GENERAL.—To carry out this section,
12 there is authorized to be appropriated such sums as
13 are necessary for each of the fiscal years 2009
14 through 2013.

15 “(2) CONTINGENCY.—Any financial obligation
16 of the United States arising out of a contract en-
17 tered into under this section and any obligation of
18 the individual that is conditioned thereon, is contin-
19 gent on funds being appropriated for loan repay-
20 ments under paragraph (1).”.

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